

# SLDC

ST. LOUIS DEVELOPMENT  
CORPORATION



## 2017 REPORT TO THE REGION



**\$1.6 billion**

Total cost of development

**7,434**

New residential  
(single family, multi-family)  
and commercial units

**1,320**

Companies served

**1,162**

Jobs retained

**993**

New jobs created

**1,740**

Construction jobs



# From the Mayor



The City of St. Louis owes it to its citizens to provide a safe and equitable place to live. As the City and region begin healing following the recent period of unrest, we must continue to place racial equity at the forefront of all aspects of City business and ensure that all citizens are treated fairly regardless of race, gender, income, or geographic location. This is especially true in the field of economic development. There is no doubt in my mind that we cannot achieve racial equity independent of economic equity.

Sustained economic growth in the City of St. Louis is paramount in ensuring every citizen has a place to live and work. Lifting families

out of poverty by catalyzing job growth and developing affordable housing is central to the St. Louis Development Corporation's mission. That is why my office works closely with SLDC to promote economic growth and attract investment.

Over the past year, we have continued to make St. Louis a more attractive city to live and work, a vital component to attracting large-scale investment. Recently, St. Louis was awarded two nonstop international flights: one to Cancun and the other to Reykjavik, Iceland – with low cost connections to London, Paris, Amsterdam, Berlin, Frankfurt, Dublin, Copenhagen and more. With this new, easier access to European markets, St. Louis is now more well-positioned than ever to land a nonstop flight to European economic hubs like Frankfurt and London, and attract their capital to St. Louis.

Increasing private investment in the City is also key to regional growth because when the City prospers, the region prospers. With that idea in mind, I am happy to announce that St. Louis has seen significant investment in the past year, including successful agreements to redevelop some of the City's most important historic buildings: the vacant Municipal Court building located adjacent to City Hall, a \$60 million project; the 6300 Clayton Avenue

Redevelopment, a \$20 million project; the Jefferson Arms building, a \$104 million project; the Armory rehab, an \$83 million project; and the \$1.7 billion NGA project, which is well under way.

The St. Louis Development Corporation has been a key player in helping to attract the capital investment we have seen over the last year, and as we look to the future, I am confident we are going to see an even stronger commitment to St. Louis by the business community.

My staff will continue to do our part by improving neighborhood safety, removing blight to spur economic growth, and ensuring that our work always has an equity component to it. As we continue to attract investment opportunities, SLDC will be there to ensure that St. Louis is getting the best possible return-on-investment and citizens are realizing those benefits.

With another year coming to an end, St. Louis' future looks brighter than ever before.

A handwritten signature in blue ink that reads "Lyda Krewson".

Lyda Krewson

## Vacancy initiative

The City is implementing a new Vacancy Initiative for redevelopment or removal of abandoned buildings and redevelopment of vacant lots.

- ▶ Reducing the approximately 12,000 vacant parcels in the Land Reutilization Authority's (LRA) inventory
- ▶ Putting vacant parcels into productive use
- ▶ Assessing the impact and quantifying the cost of addressing blight removal, vacant land and abandoned buildings
- ▶ Prioritizing programs and initiatives and developing a comprehensive plan in collaboration with key City departments and community partners
- ▶ Creating green spaces and promoting alternative uses
- ▶ Enhancing code enforcement and recovering related public costs
- ▶ Revising and modernizing the City's demolition specifications
- ▶ Targeting privately owned problem properties that are disrupting neighborhoods
- ▶ Increasing public safety, vibrancy, population and economic opportunities in our neighborhoods



### ON THE COVER

Cedric Lee and Brittoni Calhoun work for Kolb Grading, a woman-owned business, which is doing the grading work at the Next NGA West site. Photo by Dilip Vishwanat | SLBJ

Lafayette Preparatory Academy, a public charter school, was awarded New Markets Tax Credits to help finance the construction of a new elementary school in Lafayette Square.

Restaurateur David Bailey rehabbed historic buildings for his nine restaurants and hires from surrounding neighborhoods. Photo by Dilip Vishwanat | SLBJ

Emily Brady Koplar is a designer-in-residence at the Saint Louis Fashion Incubator. Photo by Dilip Vishwanat | SLBJ



# From the Executive Director



This past year can best be characterized as a year of Change. The transformation has been driven by SLDC's commitment to implementing strategies that facilitate economic development where it provides the best leverage of taxpayers' dollars – that is getting the biggest bang for the buck.

We have reviewed our policies for using local, state, and federal development incentives based on data and insights from

our peer cities study that looked at how incentives are used. We, along with the Board of Aldermen, drafted recommendations and the resulting interim guidelines were unveiled, and to keep things interesting, we asked for input. We got an earful, and the audiences mostly agreed that we are on the right track. We heard fewer incentives in thriving areas, more private dollars in distressed areas, protect City revenues, and share the wealth.

Neighborhoods are being transformed, and we are focused on spreading the success of areas like the central corridor to the north and south. Although we look forward to a day when we can hang out a "no vacancy" sign, we acknowledge that we have a lot of work yet to do.

Under Mayor Lyda Krewson's new Vacancy Initiative, we will reduce and repurpose City-owned vacant parcels, and hold private owners accountable when they leave properties to decay.

Neighborhoods and businesses change for

the better when there is fair access. We meet regularly with developers, contractors, City Departments, and community organizations to ensure that Minority/Women Business Enterprises participation and workforce goals are identified, met or exceeded safeguarding that all share in the City's growth and success especially when incentives are involved.

We've seen the City change right before our eyes with an exciting \$1.6 billion in development last year, and we know development attracts development. A few to watch are Ballpark Village Phase 2, Missouri Theater, City Foundry and adjacent Armory, Cortex expansion projects, and new and improved health care facilities.

Change brings momentum and keeps us moving to a better St. Louis for all.

A handwritten signature in black ink that reads "Otis Williams".

Otis Williams



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## St. Louis Development Corporation

St. Louis Development Corporation (SLDC) is the City's economic development arm. SLDC's mission is to stimulate the market for private investment in City real estate and business development and improve the quality of life for everyone who lives in, works in and visits St. Louis.

### ROLES AND SERVICES

- Real estate management, site assembly, preparation and development
- Neighborhood and Commercial District development
- Port development and management
- Support and administration of City economic development incentives, boards and authorities
- Minority- and Women-Owned Business inclusion and support
- Business Assistance Center
- Coordinate regional economic initiatives impacting the City

# 2017 Mayor's Business Celebration Luncheon Award Winners

## Businesses of the Year

- ▶ AB Mauri North America
- ▶ Alcami
- ▶ Best Wardrobe Solutions
- ▶ Fairfield Processing
- ▶ Microsoft
- ▶ Stars Design Group
- ▶ The Hicor Group
- ▶ US Bank

## Innovation Awards

- ▶ Better Weekdays
- ▶ Confluence Life Sciences
- ▶ Brian Matthews, Cultivation Capital
- ▶ Saint Louis Fashion Incubator

## Developers/Developments of the Year

- ▶ 2351 Market
- ▶ Citizen Park
- ▶ Das Bevo
- ▶ David Bailey, Restaurateur
- ▶ POWERS Insurance & Risk Management

## Quality of Life Awards

- ▶ Better Family Life
- ▶ Betty Jean Kerr People's Health Centers
- ▶ Boys & Girls Clubs of Greater St. Louis
- ▶ Mission: St. Louis

## Mayor's Award

- ▶ Maureen E. Brinkley, U.S. Small Business Administration

## Neighborhood Businesses of the Year

- ▶ Adriana's On The Hill
- ▶ Aya Sofia Restaurant
- ▶ Better Bakery Cafe
- ▶ Civil Life Brewing Company
- ▶ Climb So iLL
- ▶ Crystal Wizard Shop
- ▶ Don Brown Chevrolet
- ▶ F&B's Eatery
- ▶ Fauxgerty
- ▶ F & G Foods
- ▶ Femme Fatale Boutique
- ▶ Fox River Dairy
- ▶ Fresno's Diner
- ▶ Headhunters One in a Million
- ▶ King's Food Market
- ▶ Kuts by Kurtis
- ▶ Leonard's Barber College
- ▶ Locs of Glory
- ▶ New Market Hardware Company
- ▶ Patti Anne's Exchange
- ▶ Rio Syrup Co.
- ▶ Shock City Studios
- ▶ Taylor's Sausage Co.
- ▶ The Christy Banquet Centers & Catering
- ▶ The Haven
- ▶ Union Studio
- ▶ Urban Matter
- ▶ Vitt Heating and Air Conditioning



Climb So iLL is an indoor rock climbing gym.

TIM KEMPLE

Contractors relocated a home to its new location as part of site preparation for the new Next NGA West facility.



## From Blight to Bright: Next NGA West is Largest Federal Investment in St. Louis History

The National Geospatial-Intelligence Agency (NGA) chose north St. Louis as the site for its state-of-the-art campus.

- The 97-acre site will revitalize neighborhoods near downtown.
- The new campus will feature 712,000 square feet of office space, visitor center, green space and access control points. Construction begins in 2019.
- SLDC will complete site preparation in 2018.

**\$1.7 billion**  
Facility

**3,100**  
Jobs retained

**1,300**  
New construction jobs

- Contracts for much of the work were awarded to minority- and women-owned businesses.
- Of 137 structures within the site, 133 were demolished. One was physically relocated just outside of the NGA's site boundary. Three others will be demolished at a later date.
- Several public meetings were held with residents and business owners as part of Project Connect, the City's action plan to concentrate development efforts in neighborhoods near downtown and Next NGA West.

## Development highlights

### LAND REUTILIZATION AUTHORITY (LRA)

**696**  
Properties sold by LRA

**\$10.5 million**  
Private development on parcels sold

**506**  
Properties acquired

**1,336**  
Properties maintained

**108**  
Buildings demolished

### BROWNFIELDS TAX CREDITS AND GRANTS

**\$5.5 million**  
Awarded

**\$103.6 million**  
In private and public investment

**250**  
New jobs



# Development incentives

Allocated by the U.S. Treasury Department, New Markets Tax Credits (NMTC) assist development projects that strengthen communities and add jobs.

## NEW MARKETS TAX CREDITS (NMTC)

**\$383 million**

In NMTC received since 2004

**\$75 million**

Received in FY17

**\$169 million**

Private dollars leveraged

**440**

Projected construction jobs

**710**

Projected new jobs

**130**

Jobs retained

## RECENT NMTC ALLOCATIONS

**\$5 million**

Deaconess Center for Child Well-Being

**\$5 million**

Lafayette Preparatory Academy

**\$6.5 million**

Last Hotel

**\$7.5 million**

St. Louis Grocery Group

**\$10 million**

Wexford Science + Technology's new building that will house Microsoft



*The new Cortex building at 4220 Duncan Avenue will house Microsoft's new regional headquarters and will bring 150 employees to the district. The \$53 million building is being developed by Wexford Science + Technology.*



*Located in Grand Center, the \$8.5 million Deaconess Center for Child Well-Being includes administrative offices for the Deaconess Foundation and long-time grantees, Vision for Children at Risk and Neighborhood Houses, in addition to meeting space.*

# Development incentives

SLDC uses a variety of local, state and federal incentives to assist and attract large-scale projects. Public listening sessions were held for citizens to comment on current and proposed guidelines for revamping the City's incentive policies.



*City Foundry STL will create a unique retail development near the Cortex Innovation Community and Saint Louis University. The first two phases of the TIF project will total \$211.6 million.*



*GreenStreet's \$82.8 million overhaul of the long vacant Armory building in Midtown will be a next-generation office complex. The project was awarded TIF assistance.*

## TAX INCREMENT FINANCING (TIF)

**\$494.2 million**

Projected investment

**\$73.4 million**

Total TIF approved

**2,496**

Projected new jobs

## TAX ABATEMENT

**\$516 million**

Projected investment

**1,439**

Proposed housing units

**359**

Proposed new jobs

## TAX EXEMPT BOND FINANCING

**\$72.7 million**

Projected investment

**\$12 million**

Private investment leveraged

**65**

Proposed housing units



# Supporting businesses, investing in jobs, improving facilities

## LENDING ASSISTANCE

**\$2.2 million**

Business loans

**\$7.4 million**

Private dollars leveraged

**100**

New jobs

**17**

Retained jobs

## BUSINESS ASSISTANCE CENTER

**624**

clients served

**424**

Graduated business licenses

**416**

Occupancy permits

## COMMERCIAL DISTRICT IMPROVEMENTS

**221**

Neighborhood businesses assisted

**\$621,580**

Facade grants approved

**61**

New jobs created

**1,015**

Total jobs impacted



DILIP VISHWANATH | SLBJ

*Chris Motley is the founder and CEO of Better Weekdays, a mobile job-matching platform. Located in downtown's T-REX incubator, the start-up received an Arch Grant in 2015, a business loan from SLDC and Helix Fund assistance.*

## MINORITY BUSINESS DEVELOPMENT

SLDC collaborates with public and private organizations that share the same commitment to minority business inclusion and growth.

► The Contractor Loan Fund provided dozens of hours in technical assistance and several million dollars in funding to Minority/Women Business Enterprises (M/WBEs).

► SLDC drafted legislation that will implement both business and workforce disparity studies.

► SLDC joined the Regional Union Construction Board and the St. Louis Venture Works Board to contribute to decisions that impact millions of dollars in revenue for M/WBEs.

► SLDC worked with other City departments to ensure access to contract opportunities and inclusion goals are met and/or exceeded.

**288**

M/WBEs assisted

**81**

Firms certified

**96**

Projects monitored

**\$474 million**

Total projects

## "BEST 2-YEAR COLLEGE IN MISSOURI" —PayScale

Ranken Technical College is training the next generation of skilled workers for 21st century technical and mechanical careers.



► PayScale's 2017 College Salary Report named Ranken as the best two-year college in Missouri, noting that graduates have median mid-career salaries of \$68,200.

► SLDC and the St. Louis Economic Development Partnership helped Ranken secure federal funding for a new incubator that will foster apprenticeship and entrepreneurship in manufacturing.

► Ranken and St. Louis Public Schools will create a pathways to employment program in advanced manufacturing and information technology. The partnership is supported by the National Science Foundation.